



**MINUTEMAN**  
A REVOLUTION IN LEARNING

**March 2022**

Edward A Bouquillon PhD  
Superintendent-Director

## Needham Meeting



A REVOLUTION IN LEARNING

# Overall Budget Summary

FY23 Operating & Capital Request

**\$29,010,622**

4.96% above FY22

FY23 Assessment to Members

**\$22,395,741**

15.08% above FY22

# Needham: Preliminary Assessment

|                                 |                            |
|---------------------------------|----------------------------|
| Minimum Required Contribution   | \$ 528,341                 |
| Transportation Assessment       | \$ 31,472                  |
| Operating Assessment            | \$ 388,483                 |
| Debt & Capital Assessment       | <u>\$ 73,311</u>           |
| Sub-Total                       | \$ 1,021,607               |
| Building Project – Debt Service | <u>\$ 346,132</u>          |
| Total Assessment                | <u><u>\$ 1,367,739</u></u> |

# Needham: Comparison of Assessment

| Needham            | FY22        | FY23        | Difference | % Change |
|--------------------|-------------|-------------|------------|----------|
| Enrollment         | 27          | 31          | 4          | 14.8%    |
| Enroll 4 Yr. Avg   | 22          | 25.25       | 2.75       | 12.2%    |
| % Share Operating  | 6.0%        | 5.9%        | -0.1%      | -2.0%    |
| % Share Capital    | 7.0%        | 6.6%        | -0.4%      | -5.6%    |
| Min Req Contr      | \$426,184   | \$528,341   | \$102,157  | 24.0%    |
| Transportation     | \$41,530    | \$31,472    | (\$10,058) | -24.2%   |
| Operating          | \$354,528   | \$388,483   | \$33,955   | 9.6%     |
| Debt & Capital Ops | \$68,892    | \$73,311    | \$4,419    | 6.4%     |
| MSBA Debt          | \$339,153   | \$346,132   | \$6,979    | 2.1%     |
|                    |             |             |            |          |
| Total Assessment   | \$1,230,287 | \$1,367,739 | \$137,452  | 11.2%    |



# FY23 DISTRICT BUDGET OBJECTIVES

- Protect Student and Staff Health
  - Critical to address Social Emotional Learning Needs
- Deliver and Promote High Quality CVTE
- Advance the MM Academy Model
- Increase Enrollment Capacity of Facility
- Athletic Fields Operations and Management
- Campus Facilities Use & Rental Revenue
- Close out MSBA Project

# FY23 Operating Budget Drivers

- Teachers Contract – 2% plus Steps and Levels
- Health Insurance (10% Increase)
- Transportation Increase (FY23 = 5% CPI)
- Building Utilities (5% Projected Increase)
- CTE Supply and Material Cost Increases
- OPEB (\$120,000 = \$60,000 Increase)
- Lease of 2 Field Trip/Worksite Buses (\$50,000)
- Stabilization (\$500,000 = \$150,000 Increase)

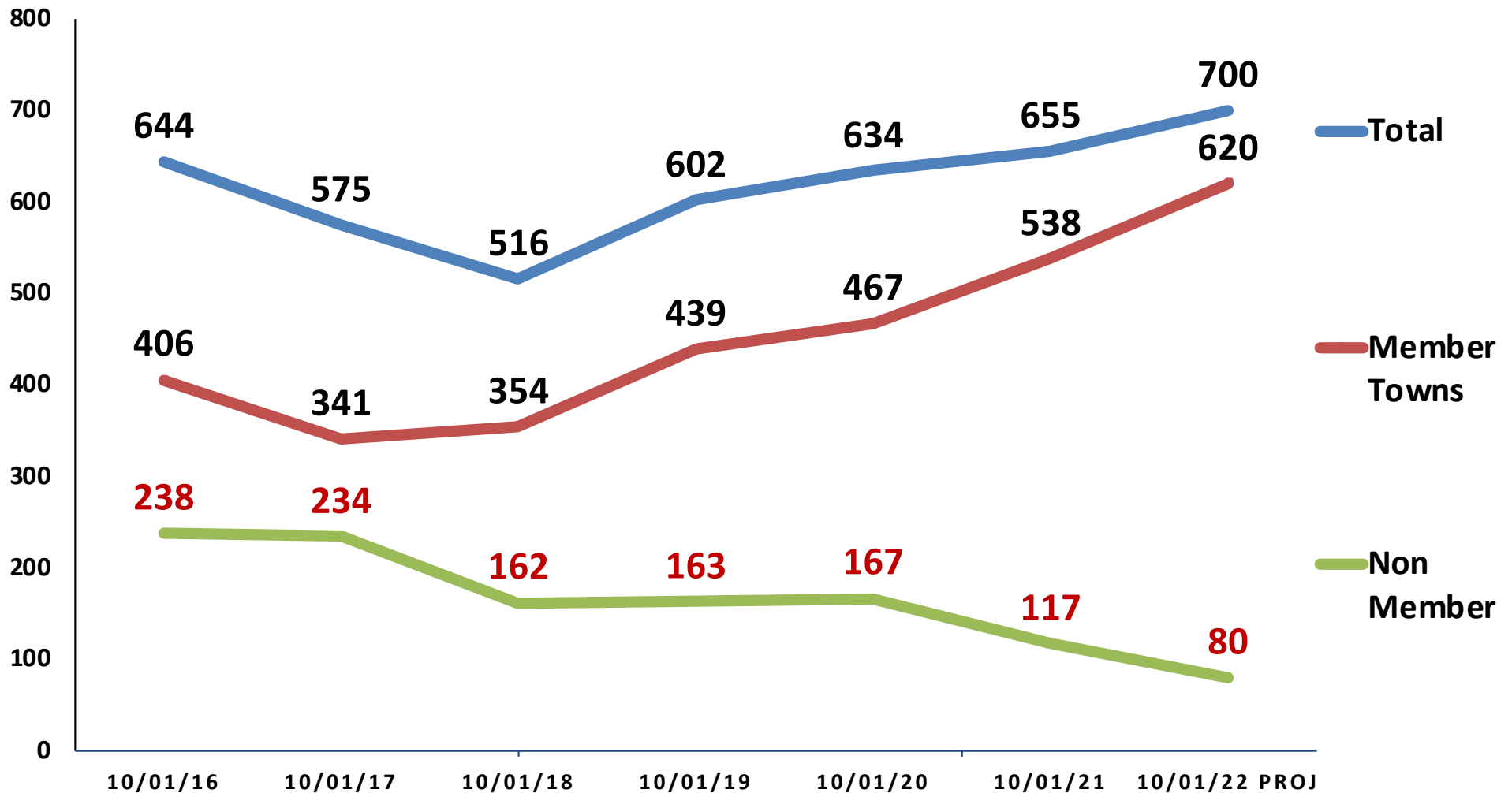
# Budget Summary

FY23 Operating Request = **\$22,092,652**  
6.57% above FY22

FY23 Capital Request = **\$1,235,608**  
8.89% above FY22

FY23 MSBA Project Debt = **\$5,682,363**  
**1.60% below FY22**

# Overall Enrollment: Oct 1





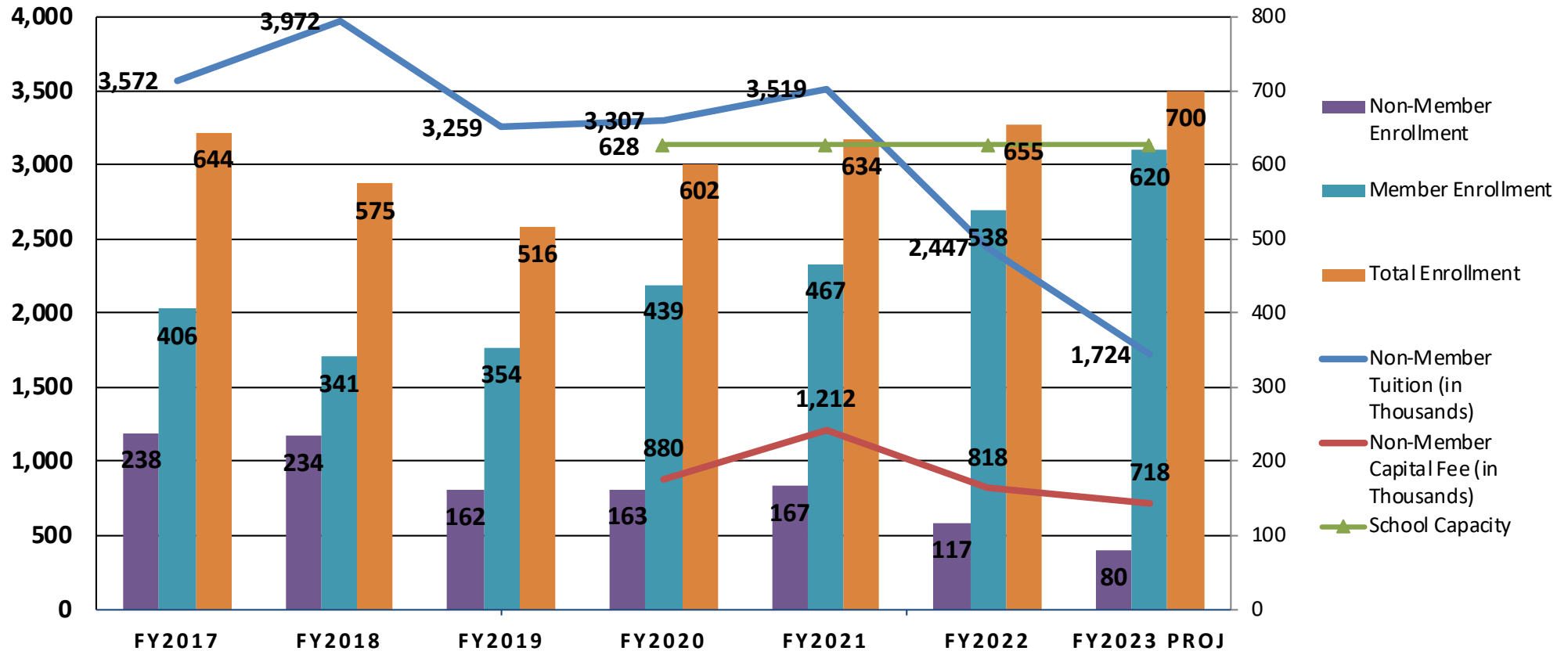
# Enrollment HAS SHIFTED

- Greater (almost all) In-District Enrollment
- Out of District enrollment is decreasing
- Out of District Tuition Revenue decreasing
- Out of District Capital Fee Revenue decreasing

## Resulting in:

- **Increased Assessments to members &**
  - **Reduced Per Pupil assessments**

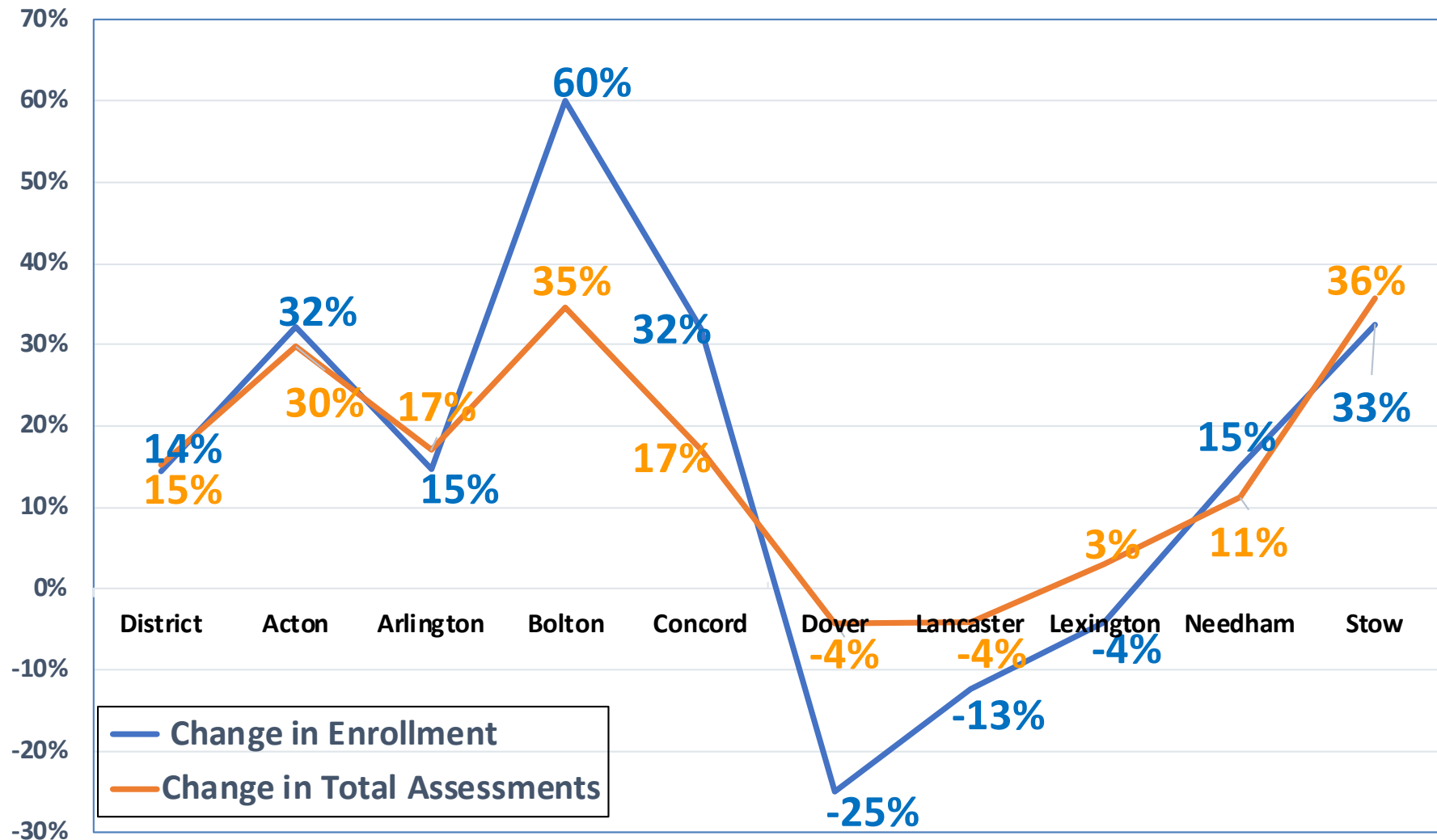
# NON-Member Tuition & Capital Fee Reduction and Increasing Member Enrollment



- Non-Member Tuition is set annually by the DESE Commissioner based on 125% of Statewide Foundation Vocational Rate.
- Non-Member Tuition may include an incremental Special Education Fee per Student, if applicable.
- Non-Member Capital Fee is based on average per pupil cost of Debt Service (New Building Only).
  - The Fee varies depending on if Cities/Towns have less than (Type A) or more than (Type B) five Chapter 74 Programs.

# Changes in Avg Enrollment

## Changes in Assessment FY22-FY23



# Application & Enrollment Trend as Predicted

|                                     | YOG '22    | YOG '23    | YOG '24    | YOG '25    | YOG '26         |
|-------------------------------------|------------|------------|------------|------------|-----------------|
| <b>Total Applications</b>           | <b>168</b> | <b>272</b> | <b>390</b> | <b>323</b> | <b>402*</b>     |
| <b>Nine Member Towns</b>            | <b>147</b> | <b>225</b> | <b>252</b> | <b>261</b> | <b>303*</b>     |
| <b>Out of District (OOD)</b>        | <b>21</b>  | <b>47</b>  | <b>94</b>  | <b>36</b>  | <b>52*</b>      |
| <b>OOD (Ineligible)</b>             | <b>49</b>  | <b>38</b>  | <b>44</b>  | <b>26</b>  | <b>47*</b>      |
| <b>9<sup>th</sup> Gr Enrollment</b> | <b>122</b> | <b>195</b> | <b>179</b> | <b>199</b> | <b>175</b>      |
|                                     |            |            |            |            | * As of 2/16/22 |

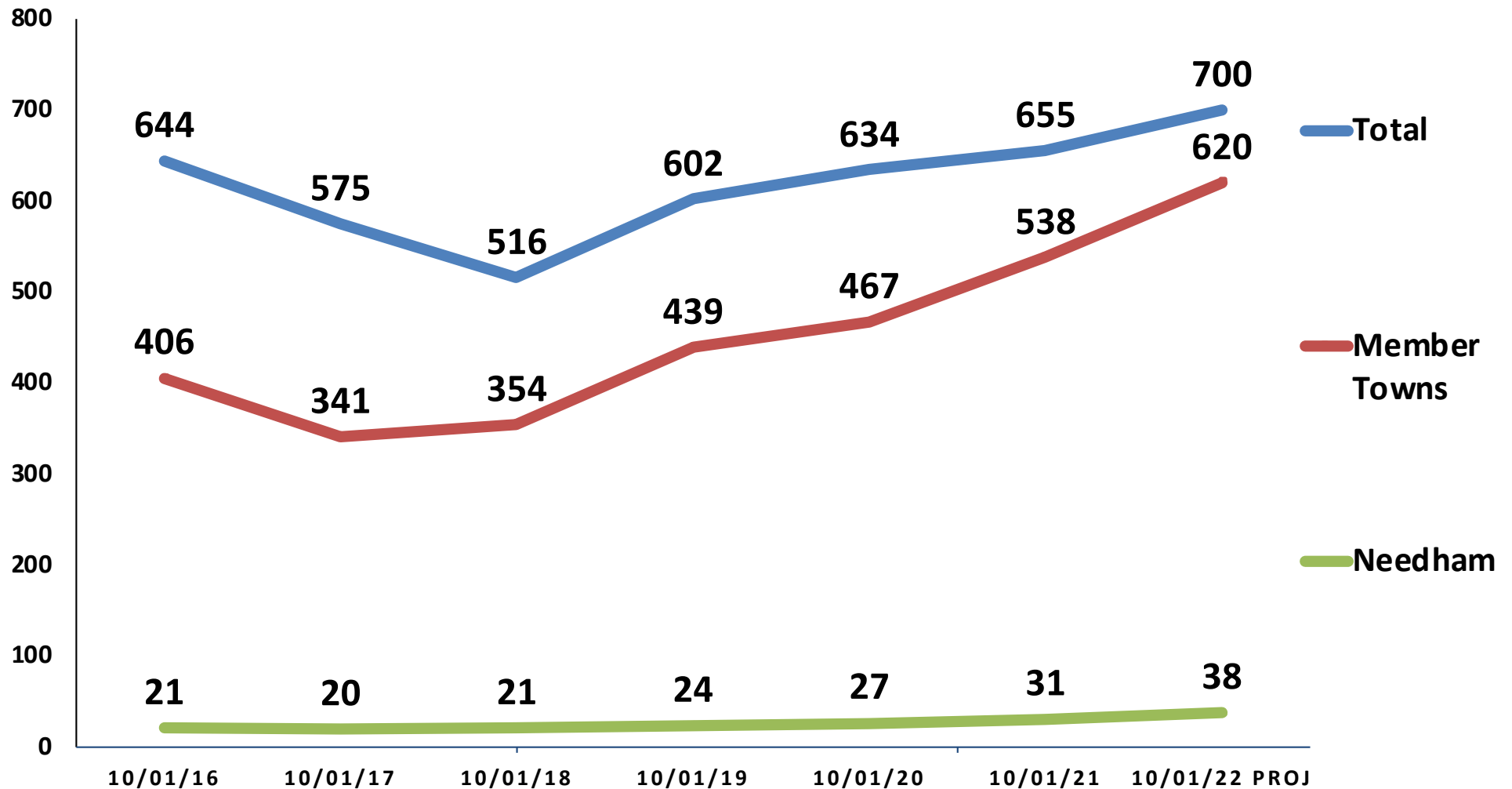
## Highlights:

Applications up **24%** from one year ago currently.

**105% increase from the current NINE MEMBER towns since FY19**

Class of 2025 = 95% from NINE MEMBER towns.

# Needham Enrollment: Oct 1



# Class of 2026 Admissions

| Member Town  | Slot Allocation | Qualified Applicants | Offered Admission | Students Accepted Offer | Student Declined Offer | Waiting List |
|--------------|-----------------|----------------------|-------------------|-------------------------|------------------------|--------------|
| Acton        | 18              | 33                   | 28                | 21                      | 7                      | 5            |
| Arlington    | 38              | 97                   | 70                | 56                      | 12                     | 27           |
| Bolton       | 12              | 12                   | 12                | 10                      | 2                      | 0            |
| Concord      | 14              | 26                   | 22                | 20                      | 2                      | 4            |
| Dover        | 9               | 3                    | 3                 | 2                       | 1                      | 0            |
| Lancaster    | 18              | 23                   | 18                | 15                      | 3                      | 5            |
| Lexington    | 21              | 37                   | 25                | 23                      | 2                      | 12           |
| Needham      | 14              | 15                   | 14                | 13                      | 1                      | 1            |
| Stow         | 16              | 26                   | 22                | 19                      | 3                      | 4            |
| <b>Total</b> | <b>160</b>      | <b>272</b>           | <b>214</b>        | <b>179</b>              | <b>33</b>              | <b>58</b>    |



# Class of 2026 Admissions Needham

15

**Qualified  
Applicants**

14

**Students  
Offered  
Admission**

13

**Student  
Planning to  
Enroll**

# Budget Summary

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**1.60% below FY22**

# Staffing Additions for FY23

- 2.0 FTE Student Support Professionals
- 1.0 FTE Program/Web Teacher
  - Position was an Aide in FY22
- 1.0 FTE Robotics/Automation Aide
  - Position was Teacher in FY22 (Unfilled)
- 1.0 FTE HR Support Specialist
- 0.5 FTE Library/Reading Aide

# Staffing “Reductions” for FY23

- 1.0 FTE ISS Professional
- 1.0 FTE Program/Web Aide
- 1.0 FTE Logistics Engineering Teacher
- 1.0 FTE HR Director

NET INCREASE = 1.5 FTE

# Career Technical Budget Priorities

- Animal Science & Logistics Engineering Program Development
- Shop Material and Equipment Increases
- Make available workplace clothing and safety gear for all students
- Student credentialing costs from Grants to District Budget:
  - National Occupational Competency Testing Institute (NOCTI)
  - American Welding Society (AWS)
  - Occupational Safety and Health Administration (OSHA)
  - Hazardous Waste Operations Emergency Response
  - Certified Nursing Assistant (CNA)
  - Emergency Medical Technician (EMT)
  - Industry 4.0 (robotics/Automation/Mechatronics)
  - State Board Licensing Examination Fees

# Building Enrollment Beyond the Design Enrollment of 628

**Goal: Accommodate 800 students by Fall 2023  
with *no increase in debt*.**

**Strategy #1:** Annually Fund Capital Stabilization Account  
Projected Account balance as of July 1, 2022: \$1,434,600

Capacity Building Project in Progress:  
North Metal Fab Shop: \$700,000 Opening late Fall 2022  
Increase Capacity by 32 students over four years

**Strategy #2:** Leverage Strategic Partnerships and Grants  
Vet Clinical Renovation: Design now. Opening Fall 2023  
Increase Capacity by 60+ students over four years



# OPEB Estimated Liability as of June 30, 2022

**\$26,124,691**

11/30/2021 OPEB Trust Fund Balance = \$471,240

NOTE: Estimated OPEB Net Liability as of  
June 30, 2020, was \$32,473,201

# Strategic Components

## OPEB Advisory Subcommittee recommended a long-term funding strategy to MM School Committee

Recommendation #2: Adopt the following six year funding plan for budget Line 5250, Retiree Insurance:

|         |            |
|---------|------------|
| FY 2023 | \$ 725,000 |
| FY 2024 | 762,000    |
| FY 2025 | 1,100,000  |
| FY 2026 | 1,155,000  |
| FY 2027 | 1,215,000  |
| FY 2028 | 1,275,000  |

This schedule starts with \$725,000 in FY23, with 5% increases each year, and an additional increase of \$300,000 in FY25. Given the current FY23 PAYGO budgeted amount of \$605,358, this implies a FY23 OPEB Fund contribution of \$119,642.

The \$300,000 hike in FY25 is feasible since the ESCO lease ends with FY24, and the ESCO commitment for the nine member towns is about \$425,000 per year.



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# QUESTIONS

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# Non-Assessment Revenue

|   | <u>FY22</u>         | <u>FY23</u>         | <u>Difference</u>    | <u>% Change</u> |
|---|---------------------|---------------------|----------------------|-----------------|
| Chapter 70 Aid                          | \$1,986,977         | \$2,028,744         | \$41,767             | 2.10%           |
| Chapter 71 Reg. Trans. Reimb.           | \$776,382           | \$1,029,441         | \$253,059            | 32.59%          |
| Prior Year Tuition                      | \$2,695,837         | \$1,367,364         | (\$1,328,473)        | -49.28%         |
| Current Year Tuition                    | \$1,080,000         | \$950,000           | (\$130,000)          | -12.04%         |
| Certified E& D                          | \$540,000           | \$650,000           | \$110,000            | 20.37%          |
| Current Year Nonresident Capital Fee    | \$508,033           | \$300,000           | (\$208,033)          | -40.95%         |
| Prior Year Nonresident Capital Fee      | \$591,967           | \$289,332           | (\$302,635)          | -51.12%         |
| <b>Total Non-Assessment Revenue</b>     | <b>\$8,179,196</b>  | <b>\$6,614,881</b>  | <b>(\$1,564,315)</b> | <b>-19.13%</b>  |
| <b>Required Member Town Assessments</b> | <b>\$19,461,392</b> | <b>\$22,395,741</b> | <b>\$2,934,349</b>   | <b>15.08%</b>   |

# FY23 Operating and Capital

|                                     | <u>FY22</u>        | <u>FY23</u>        | <u>Difference</u> | <u>% Change</u> |
|-------------------------------------|--------------------|--------------------|-------------------|-----------------|
| Operating Budget                    | \$20,731,416       | \$22,092,652       | \$1,361,236       | 6.57%           |
| Capital Equipment/Leases (2)        | <u>\$1,134,679</u> | <u>\$1,235,608</u> | <u>\$100,929</u>  | <u>8.89%</u>    |
| Subtotal                            | \$21,866,095       | \$23,328,260       | \$1,462,165       | 6.69%           |
| Building Project - Debt Service (1) | <u>\$5,774,493</u> | <u>\$5,682,363</u> | <u>(\$92,130)</u> | <u>-1.60%</u>   |
| Total Operating & Capital Budget    | \$27,640,588       | \$29,010,623       | \$1,370,035       | 4.96%           |

- (1) A debt exclusion override was voted on this debt in the following towns: Acton, Arlington, Bolton, Concord, Dover, Lancaster, and Stow.
- (2) Annual ESCO Lease assessments include the proportionate share due from the 6 towns that withdrew from the district effective July 1, 2017, and Belmont withdrawal effective July 1, 2020. This also includes the 1<sup>st</sup> payment on a 10 year note for the field lighting.

# Assessment Components

| Assessment Allocation by Category          | <u>FY22</u>         | <u>FY23</u>         | <u>Difference</u>  | <u>% Change</u> |
|--|---------------------|---------------------|--------------------|-----------------|
| Minimum Required Contribution              | \$7,012,360         | \$8,864,054         | \$1,851,694        | 26.41%          |
| Transportation Budget                      | \$694,248           | \$538,453           | (\$155,795)        | -22.44%         |
| ESCO Lease Equipment                       | \$535,137           | \$550,408           | \$15,271           | 2.85%           |
| Capital Equipment/Leases/Athletic Fields   | \$599,542           | \$685,200           | \$85,658           | 14.29%          |
| Assessments over Minimum Contributions     | \$5,945,612         | \$6,664,596         | \$718,984          | 12.09%          |
| <b>Building Project - Debt Assessments</b> | <b>\$4,674,493</b>  | <b>\$5,093,031</b>  | <b>\$418,538</b>   | <b>8.95%</b>    |
| <b>Total Assessments</b>                   | <b>\$19,461,392</b> | <b>\$22,395,741</b> | <b>\$2,934,349</b> | <b>15.08%</b>   |



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